

ARIZONA DEPARTMENT OF REVENUE

DATE: February 5, 2001

FROM: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS¹

NOVEMBER 2000 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>November 2000</u>	Fiscal Year <u>Total</u>
Individual Income Tax		
Net Collections	\$146,306,739	\$824,747,827
Percent Change	4.6%	10.8%
Corporate Income Tax		
Net Collections	(\$36,893,947)	\$171,531,817
Percent Change	N/A	13.4%
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$241,226,450	\$1,226,339,865
Change	5.3%	8.5%
Total Big Three Tax Types		
Net Collections	\$350,639,242	\$2,222,619,509
Percent Change	5.0%	9.7%

¹ The Office of Economic Research and Analysis has a new phone number. We can now be reached at (602) 542-4641. Although our phone number has changed, our extensions remain the same. Please update your records.

TAX FACTS

November 2000

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	November 2000	November 1999	% Change
Gross Collections	\$6,745,307	\$7,617,344	(11.4%)
Withholding	196,501,572	189,289,342	3.8%
Refunds	(23,902,420)	(25,563,060)	(6.5%)
Urban Revenue Sharing	(33,037,720)	(31,475,916)	5.0%
Net Collections	\$146,306,739	\$139,867,710	4.6%

	Fiscal Year Total (00/01)	Fiscal Year Total (99/00)	% Change
Gross Collections	\$133,145,563	\$120,926,320	10.1%
Withholding	941,305,437	864,917,937	8.8%
Refunds	(84,514,574)	(83,930,470)	0.7%
Urban Revenue Sharing	(165,188,600)	(157,379,579)	5.0%
Net Collections	\$824,747,827	\$744,534,208	10.8%

Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$0 for November and \$3,328 for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$0.151 million.

Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. The law firm of Bonn, Lusher, Padden & Wilkins had obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This hold-back order only applies to years beginning with 1985. During the month of November no refunds were issued as a result of the FERC project, therefore, the amount of refunds for the fiscal year remains at \$16,225. Likewise, the amount withheld per the restraining order described above also remains at \$723 for the fiscal year.

Individual Income Tax Document Count

In calendar year 1999, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NP R	141	140A	140PT C	140EZ	TOTAL
#	39,865	1,323,254	69,417	104,001	92	39,500	336,335	17,266	162,772	2,092,502
%	1.9	63.3	3.3	5.0	0.0	1.9	16.1	8.9	7.8	

In calendar year 2000 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NP R	141	140A	140PT C	140EZ	OTHER	TOTAL
#	37,277	1,331,368	73,798	107,213	54	40,985	331,558	15,860	185,383	1	2,123,497
%	1.8	62.7	3.5	5.0	0.0	1.9	15.6	0.7	8.7	0.0	

The 2,123,497 returns filed through November compares to 2,082,786 returns filed during the same period of time in 1999 for an annual increase of 2.0%. This count represents multiple tax years. For tax year 1999 filed in 2000, 2,037,756 returns have been filed, this represents a 2.8% increase from 1998 returns filed in 1999 during the same period of time.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,421,253 returns in calendar year 2000 for tax year 1999 from filers who also have returns on record from calendar year 1998 with the same marital status. On average, these filers experienced a 5.5% growth in FAGI and a 7.1% increase in tax liability. More specifically, 34.7% of these filers experienced a decrease in tax liability; on average a decrease of 42.8% with a corresponding average decrease in FAGI of 24.8%. Filers showing an increase in tax liability totaled 774,984, or 54.5%, with an average FAGI increase of 32.5% and an average tax liability increase of 63.5%.

Average Individual Income Tax Refund

	Average	Number
2000 CYTD	\$558.87	1,336,337
1999 CYTD	\$533.23	1,311,379
% Change	4.8%	1.9%

"New" Filers in Calendar Year 1999

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2000. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 223,232 "new" returns have been filed thus far in 2000, representing approximately 267,816 persons, not including dependents. The average Federal Adjusted Gross Income for these 223,232 returns is \$18,916, with an average tax liability of \$338. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 18.9% had a married filing joint filing status, 7.5% claimed a 65 And Over Exemption and 30.2% claimed dependents.

Individual Income Tax Estimated Payments

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1999 was \$344.6 million, for an average of \$1,684. A total additional \$57.2 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,713. Estimated payments received during November for tax year 2000, are as follows:

11/00	140ES payment	\$1,745,598	Cumulative	\$206,827,869
11/99	140ES payment	\$1,368,586	Cumulative	\$183,474,110
	Percent change	27.5%		12.7%
11/00	Average payment	\$1,003	Cumulative	\$1,264
11/99	Average payment	\$1,569	Cumulative	\$1,243
	Percent change	(36.1%)		1.7%
11/00	Applied refund	\$14,122,619	Cumulative	\$61,656,874
11/99	Applied refund	\$5,822,361	Cumulative	\$54,685,969
	Percent change	142.6%		12.7%
Total 11/00		\$15,868,216	Cumulative	\$268,484,743
Total 11/99		\$7,190,947	Cumulative	\$238,160,079
	Percent change	120.1%		12.7%

Withholding

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from September 1998 through December 1999, \$534,654,558 was received for the fourth quarter of 1998. The latest complete quarter (15 months of information has been compiled) is the third quarter of 1999, which shows a growth rate of 9.0% in withholding payments over the third quarter of 1998. Growth in quarters for which information is still being gathered is as follows:

4 th Quarter 1999	10.1%	3 rd Quarter 2000	6.5%
1 st Quarter 2000	14.1%	4 th Quarter 2000	7.6%
2 nd Quarter 2000	10.5%		

The comparisons made above were against the same number of months of collections in the previous year. In other words, the fifth month of information available for the third quarter of 2000 was compared against the fifth month of collections for the third quarter of 1999. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2000	15,869	\$4,987,518	\$314.29
Calendar Year 1999	17,249	\$5,295,548	\$307.01
% Change	(8.0%)	(5.7%)	2.4%

Clean Elections

As a result of the November 1998 voter approval of the Citizens Clean Elections, Arizona's income taxpayers can make a donation to the Citizens Clean Elections Commission through an income tax check-off or through a voluntary donation. Since the voter approval was not validated by the Federal Elections Commission until mid 1999, the 1998 tax forms did not carry these options. For tax year 1998, filed in 1999, these options are available.

	November 2000	Year to Date
Check Off	\$10,610	\$1,827,840
Voluntary Donation	\$38	\$48,466
Number of Returns	1,333	245,803

Contributions on the Individual Income Tax Return

Through November 2000, individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	11,914	\$178,024	\$14.94
Child Abuse	13,210	\$205,741	\$15.57
Special Olympics	6,286	\$84,020	\$13.37
Neighbors Helping	3,755	\$39,153	\$10.43
AID to Education	454	\$13,513	\$29.76
Domestic Violence Shelter	9,467	\$139,229	\$14.71
Democratic Party	724	\$10,715	\$14.80
Republican Party	524	\$12,700	\$24.24
Libertarian Party	131	\$2,547	\$19.44
Reform Party	17	\$180	\$10.59

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	November 2000	November 1999	% Change
Gross Collections	\$9,929,982	\$12,041,003	(17.5%)
Refunds	(\$46,823,929)	(\$11,848,527)	295.2%

Net Collections	(\$36,893,947)	\$192,476	N/A
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	Fiscal Year Total (00/01)	Fiscal Year Total (99/00)	% Change
Gross Collections	\$245,087,909	\$193,835,533	26.4%
Refunds	(\$73,556,092)	(\$42,570,409)	72.8%
Net Collections	\$171,531,817	\$151,265,124	13.4%

Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

November 2000	\$5,634,307	Calendar Year Total	\$435,854,491
November 1999	\$7,960,009	Calendar Year Total	\$422,288,421
% Change	(26.1%)	% Change	3.3%

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for November 2000 and for the fiscal year.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
November 2000	85	7	13	0	0	0	105	16.7
November 1999	72	7	10	0	1	0	90	
CY 2000	2,617	357	378	58	64	1	3,475	3.9
CY 1999	2,550	338	365	46	44	3	3,346	

Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 00/01 by corporate fiscal year. For example, in FY 00/01, 12.5% of the refund dollars paid were for corporate fiscal years ending in 1996 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	95 & Prior	96	97	98	99	00
FY 99/00	5.0%	1.5%	4.4%	62.8%	26.1%	0.3%

Corporate Fiscal Year-End:	96 & Prior	97	98	99	00	01
FY 00/01	12.5%	5.9%	2.4%	76.7%	2.5%	0.0%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

November 2000	\$25,666,380	Calendar Year Total	\$97,966,236
November 1999	\$48,017,480	Calendar Year Total	\$117,425,388
% Change	(46.5%)	% Change	(16.6%)

Corporate Income Tax Document Count

The Arizona Department of Revenue received 95,415 corporate returns showing a fiscal year-end of 1998. The type of return received is indicated below:

	120X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)
#	384	52,087	42,587	357
%	0.4	54.6	44.6	0.4

Through November 2000, 95,363 documents have been received for a fiscal year-end of 1999, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	292	42,397	45,849	316	6,509
%	0.3	44.5	48.1	0.3	6.8

The figures shown above for the 1999 returns are most meaningful when compared to 1998 returns received during the same period of time in the previous year. Through November 1999, the Arizona Department of Revenue received 90,376 documents with a fiscal year-end of 1998. This represents a 5.5% increase in corporate returns received at this point of time in the calendar year.

Urban Revenue Sharing Returned to Cities/Towns

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.0% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 2000/01 is based on net income tax collections in Fiscal Year 1998/1999. Amounts returned for November 2000 are shown on Table 2, at the end of this report.

TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Due to new legislation, mining severance is now 100% distribution base. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	November 2000	November 1999	% change
Distribution Base	\$100,582,111	\$98,170,139	2.5%
Non shared	190,885,713	180,836,503	5.6%
Use Tax	15,843,500	14,353,584	10.4%
Other Revenues	38,247,739	35,878,002	6.6%
Total Collections	\$345,559,063	\$329,238,229	5.0%

	Fiscal Year Total (00/01)	Fiscal Year Total (99/00)	% change
Distribution Base	\$504,308,601	\$471,075,690	7.1%
Non shared	969,844,890	896,053,627	8.2%

Use Tax	83,530,787	71,847,498	16.3%
Other Revenues	192,321,746	175,149,443	9.8%
Total Collections	\$1,750,006,023	\$1,614,126,258	8.4%

Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non shared revenue and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	November 2000	November 1999	% change
Retained by State	\$241,226,450	\$229,048,968	5.3
Returned to Counties	40,865,502	39,768,724	2.8
Returned to Cities	25,219,372	24,542,535	2.8
Other	38,247,739	35,878,002	6.6
Total Collections	\$345,559,063	\$329,238,229	5.0

	Fiscal Year Total (00/01)	Fiscal Year Total (99/00)	% change
Retained by State	\$1,226,339,865	\$1,130,375,131	8.5
Returned to Counties	204,896,444	190,832,762	7.4
Returned to Cities	126,447,968	117,768,922	7.4
Other	192,321,747	175,149,443	9.8
Total Collections	\$1,750,006,024	\$1,614,126,257	8.4

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	November 2000	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	5%	\$121,637	304.1	\$1,773,928	119.1
Non-Metal Mining/Oil & Gas	3.125%	558,359	(13.2)	3,098,377	4.7
Utilities	5%	26,232,594	26.1	141,386,156	13.8
Communications	5%	11,523,085	18.6	58,866,492	21.7
Railroads/Aircraft	5%	136,358	32.2	627,944	4.1
Private Car/Pipelines	5%	(5,369)	N/A	333,975	N/A
Publishing	5%	426,014	(6.5)	2,592,330	10.7
Printing	5%	1,876,523	(3.8)	8,404,898	(4.5)
Restaurants/Bars	5%	26,013,561	5.4	122,652,478	7.0
Amusements	5%	2,342,154	(31.2)	13,465,606	(5.9)
Commercial Lease	0%	61,497	(99.1)	3,703,251	(48.2)
Rental of Personal Property	5%	15,191,552	10.1	74,348,837	9.5
Contracting	3.75% - 5%	45,821,809	0.6	239,859,104	5.4
Feed Wholesale	Repealed	(130)	N/A	(61)	29.2
Retail	5%	150,790,612	7.5	762,525,437	7.9
Advertising	0	0	N/A	0	N/A
Mining Severance*	2.5%	561,128	(59.7)	2,817,884	(61.7)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	126	(86.0)	520	(88.0)
Hotel/Motel	5.5%	9,411,095	9.2	35,689,353	11.4
Membership Camping	5%	6,906	56.7	26,621	88.3
Use/Use Inventory	5%	15,843,500	10.3	83,530,787	16.4
Rental Occupancy Tax	3%	14,816	(8.3)	46,996	44.5
Jet Fuel Tax	\$.0305/\$.0105 gal	373,334	6.2	1,895,670	24.3
Telecommunications Devices:	1.1				
Telecom. Fund for the	----	400,299	(0.5)	2,030,594	(0.6)
Poison Control Fund	----	148,056	(0.5)	751,042	(0.6)
911 Excise	1.25%	668,468	5.5	3,325,098	3.7
911 Wireless Service	\$0.10 monthly per activated	172,300	(34.3)	818,794	(2.1)
Total		\$308,690,286	4.7	\$1,564,572,111	8.2

*Beginning with December 1999 the mining severance tax base has changed.

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

Transaction Privilege and Severance Tax Taxable Sales By Class²

	November 2000	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	\$2,432,749	304.1	\$35,478,563	119.1
Non-Metal Mining/Oil & Gas	17,867,497	(13.2)	99,148,066	4.7
Utilities	524,651,878	26.1	2,827,723,111	13.8
Communications	230,461,690	18.6	1,177,329,837	21.7
Railroads/Aircraft	2,727,158	32.2	12,558,877	4.1
Private Car/Pipelines	(107,370)	N/A	6,679,505	N/A
Publishing	8,520,287	(6.5)	51,846,599	10.7
Printing	37,530,459	(3.8)	168,097,962	(4.5)
Restaurants/Bars	520,271,216	5.4	2,453,049,562	7.0
Amusements	46,843,085	(31.2)	269,312,117	(5.9)
Commercial Lease	5,808,823	(98.2)	176,014,654	(48.1)
Rental of Personal Property	303,831,043	10.1	1,486,976,739	9.5
Contracting	916,593,950	0.6	4,794,532,319	5.4
Feed Wholesale	(27,725)	N/A	(13,015)	29.2
Retail	3,015,812,247	7.5	15,250,509,538	7.9
Advertising	0	N/A	0	N/A
Mining Severance*	22,445,113	(59.7)	112,715,376	(61.7)
Timber Severance	0	N/A	0	N/A
Hotel/Motel	171,110,820	9.16	648,897,329	11.4
Membership Camping	138,129	56.7	532,422	88.3
Use/Use Inventory	316,260,862	10.26	1,668,615,506	16.4
Rental Occupancy Tax	493,864	(15.4)	1,566,541	48.7
Total	\$6,143,665,774	1.5	\$31,241,571,607	7.6

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table, are not elements of calculated taxable income and therefore, are not included in the above table. The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In November 2000, 13,239,027 gallons of jet fuel were taxed, a 10.9% increase from the 11,936,931 reported for November 1999. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

Accounting Credit

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in November 2000 was \$1,142,553 a 2.3% increase from the \$1,117,014, claimed in November 1999. Accounting credits claimed-to-date in FY 00/01 equals \$6,194,892 a 5.0% increase from the \$5,897,883 a claimed during the same period in FY 99/00.

²These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

*Beginning with December 1999, the mining severance tax base has changed.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Cosco might be considered both a grocery store and a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code Range</u>	<u>Description</u>	<u>November 2000</u>	<u>November 1999</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$180,144,498	\$88,355,480	103.9
5311-5399	general merchandise stores	286,521,863	274,633,056	4.3
5411-5499	food stores (no food sales)	253,282,887	245,331,767	3.2
5511-5521	motor vehicle dealers	535,496,310	513,986,547	4.2
5531-5599	misc. automotive, motorcycle & boat stores	148,583,789	146,924,241	1.1
5611-5699	apparel & accessory stores	173,307,490	152,422,107	13.7
5712-5733	furniture, home furnishings & equipment stores	175,734,364	160,458,120	9.5
5912-5949	misc. retail stores	203,644,090	206,274,857	(1.3)
TOTAL		\$3,015,812,247	\$2,806,842,019	7.4

<u>SIC Code Range</u>	<u>Description</u>	<u>FY 2001</u>	<u>FY 2000</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$828,455,996	\$717,492,289	15.5
5311-5399	general merchandise stores	1,420,898,491	1,348,456,987	5.4
5411-5499	food stores (no food sales)	1,227,661,676	1,170,241,685	4.9
5511-5521	motor vehicle dealers	2,869,696,069	2,610,677,303	9.9
5531-5599	misc. automotive, motorcycle & boat stores	783,677,979	763,501,230	2.6
5611-5699	apparel & accessory stores	849,643,941	802,889,648	5.8
5712-5733	furniture, home furnishings & equipment stores	837,827,931	796,976,497	5.1
5912-5949	misc. retail stores	971,654,106	952,660,754	2.0
TOTAL		\$15,250,508,738	\$14,131,011,810	7.9

Transaction Privilege and Severance Tax Returned to Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for November 2000 is shown in the County Share column.

	Dist. Base Collections	County Share	% of Total	FYTD County Share	% Chg
Apache	\$192,949	\$324,227	0.8%	\$2,081,106	(11.3%)
Cochise	1,379,348	771,477	1.9%	3,871,871	5.8%
Coconino	2,787,850	1,150,584	2.8%	6,155,479	3.5%
Gila	736,132	393,314	1.0%	1,801,255	7.1%
Graham	400,955	211,791	0.5%	1,015,863	5.9%
Greenlee	324,787	246,013	0.6%	1,371,422	2.7%
La Paz	189,955	111,878	0.3%	583,974	1.3%
Maricopa	68,612,252	25,962,122	63.5%	129,172,952	8.2%
Mohave	2,235,763	1,022,120	2.5%	5,404,093	3.9%
Navajo	1,387,647	641,316	1.6%	3,377,053	3.9%
Pima	15,188,947	6,453,541	15.8%	32,054,511	7.4%
Pinal	1,535,658	987,829	2.4%	5,149,609	9.7%
Santa Cruz	564,059	263,235	0.6%	1,313,877	6.5%
Yavapai	2,960,701	1,378,247	3.4%	6,979,391	10.0%
Yuma	2,085,107	947,807	2.3%	4,563,988	5.1%
Total	\$100,582,111	\$40,865,502		\$204,896,444	7.4%

Transaction Privilege and Severance Tax Returned to Cities/Towns

The portion of transaction privilege and severance tax returned to each incorporated city or town for November 2000 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during November 2000 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in December 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Stadium Tax	RV Surcharge	Hospital Tax
Apache		\$58,769					
Cochise		\$416,038					
Coconino		\$771,204	\$460,128				
Gila	\$199,993	\$195,558					\$7
Graham		\$111,516					
Greenlee		\$34,112					
La Paz		\$55,783	\$55,783				
Maricopa	\$21,392,011		\$7,899,328	\$508,669	\$32,732		
Mohave		\$322,080					
Navajo		\$402,903					
Pima				\$134,751		\$15,261	
Pinal	\$526,730	\$510,855					
Santa Cruz		\$161,001					
Yavapai		\$824,442	\$321,968				
Yuma		\$609,400	\$609,233				

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in November 2000. The table compares the receipts to November 1999 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	November 2000	November 1999	% Change
Spirituos	\$1,773,505	\$1,806,608	(1.83%)
Vinous	735,590	1,076,528	(31.67%)
Malt	1,796,020	1,718,590	4.51%
Cigarette	14,010,968	12,589,212	11.29%
Other Tobacco	325,460	291,896	11.50%
Tobacco	100	125	(20.00%)
Licenses			
Total	\$18,641,643	\$17,482,959	6.63%

	Fiscal Year Total (00/01)	Fiscal Year Total (99/00)	% Change
Spirituos	\$7,860,935	\$7,540,957	4.24%
Vinous	3,029,916	3,367,466	(10.02%)
Malt	9,092,866	8,704,858	4.46%
Cigarette*	65,335,718	65,114,538	0.34%
Other Tobacco	1,410,837	1,551,119	(9.04%)
Tobacco	4,725	6,225	(24.10%)
Licenses			
Total	\$86,734,997	\$86,285,163	0.52%

*Through November 2000, \$386,100 of Cigarette and Tobacco tax collections has been allocated for administrative expenses and is not reflected in fiscal year collections.

General Fund revenues from luxury taxes:

	November 2000	FY (00/01)
Spirituos	\$1,241,453	\$5,502,654
Vinous	183,417	755,756
Malt	449,005	2,273,216
Cigarette	3,836,002	18,109,528
Other Tobacco	50,446	218,680
Tobacco	100	4,725
Licenses		
Total	\$5,760,423	\$26,864,559

Other dedicated revenues from luxury taxes:

	November 2000	FY (00/01)
Correction Fund revenues	\$2,183,944	\$12,296,445
Health Care Fund revenues	9,920,033	45,935,979
Wine Promotional Fund revenues	1,922	6,892
Drug Treatment & Education Fund revenues	579,489	2,731,126
Corrections Revolving Fund revenues	230,283	1,083,940

Estate Tax

	November 2000	\$6,393,725	Fiscal year To Date	\$30,498,603
	November 1999	<u>\$5,575,243</u>	Fiscal year To Date	<u>\$28,578,578</u>
% Change		14.7%	% Change	6.7%

Private Car

	November 2000	\$156,213	Fiscal year To Date	\$1,347,693
	November 1999	<u>\$35,783</u>	Fiscal year To Date	<u>\$1,461,999</u>
% Change		336.6%	% Change	(7.8%)

Bingo

	November 2000	\$56,618	Fiscal year To Date	\$271,002
	November 1999	<u>\$58,269</u>	Fiscal year To Date	<u>\$277,015</u>
% Change		(2.8%)	% Change	(2.2%)

Unclaimed Property

	November 2000	\$11,668,283	Fiscal year To Date	\$16,675,857
	November 1999	<u>\$9,858,545</u>	Fiscal year To Date	<u>\$15,031,774</u>
% Change		18.4%	% Change	10.9%

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

TABLE 1
“New” Returns Filed in 2000 for Tax Year 1999
Through November 2000

Federal Adjusted Gross Income Bracket	Number of Returns	% of Total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	1,276	0.6%	-\$26,161	\$5	24.1%	64.6%	6.7%	4.5%	16.3%	14.4%
\$0-\$5,000	54,680	24.5%	\$2,689	\$1	3.1%	87.7%	8.3%	1.0%	2.5%	11.2%
\$5,000-\$10,000	49,814	22.3%	\$7,362	\$30	7.0%	71.6%	19.7%	1.7%	5.6%	25.9%
\$10,000-\$15,000	33,760	15.1%	\$12,369	\$96	15.3%	53.3%	29.0%	2.5%	9.1%	39.0%
\$15,000-\$20,000	23,553	10.6%	\$17,312	\$179	23.1%	44.7%	29.1%	3.2%	10.5%	42.7%
\$20,000-\$25,000	14,955	6.7%	\$22,348	\$305	26.6%	44.2%	25.2%	4.0%	9.0%	42.2%
\$25,000-\$30,000	10,095	4.5%	\$27,355	\$431	30.5%	42.5%	21.9%	5.1%	8.4%	41.2%
\$30,000-\$40,000	12,270	5.5%	\$34,473	\$605	39.4%	38.7%	17.5%	4.5%	10.1%	40.6%
\$40,000-\$50,000	7,325	3.3%	\$44,611	\$835	50.3%	31.8%	14.2%	3.7%	11.9%	42.8%
\$50,000-\$75,000	9,010	4.0%	\$60,261	\$1,219	63.7%	25.5%	8.3%	2.5%	14.8%	41.5%
\$75,000-\$100,000	3,151	1.4%	\$85,440	\$1,938	70.8%	21.5%	5.6%	2.1%	17.2%	40.9%
\$100,000-\$200,000	2,562	1.1%	\$131,160	\$3,563	69.1%	22.3%	6.2%	2.5%	19.1%	38.8%
\$200,000-\$500,000	608	0.3%	\$290,792	\$10,060	68.1%	24.0%	6.1%	1.8%	25.1%	32.7%
\$500,000-\$1,000,000	111	0.0%	\$693,264	\$28,860	63.7%	22.1%	7.1%	7.1%	26.5%	26.5%
\$1,000,000 and over	62	0.0%	\$2,496,517	\$137,203	73.0%	19.0%	4.8%	3.2%	17.5%	33.3%
Total	223,232		\$18,916	\$338	18.9%	60.2%	18.5%	2.4%	7.5%	30.2%

NEW RETURNS FILED IN 1999 FOR TAX YEAR 1998

Total	228,194		\$17,402	\$289	18.4%	59.3%	19.8%	2.5%	7.4%	32.4%
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“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

TABLE 2
Urban Revenue Sharing Returned to Cities/Towns
November 2000

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,629,993	168,176
Eagar	\$43,760	4,515	Surprise	104,065	10,737
Springerville	18,609	1,920	Tempe	1,490,862	153,821
St. Johns	32,566	3,360	Tolleson	42,995	4,436
<u>Cochise County</u>			Wickenburg	46,183	4,765
Benson	\$39,883	4,115	Youngtown	26,111	2,694
Bisbee	62,999	6,500	<u>Mohave County</u>		
Douglas	143,250	14,780	Bullhead City	\$261,107	26,940
Huachuca City	18,803	1,940	Colorado City	30,918	3,190
Sierra Vista	366,510	37,815	Kingman	162,528	16,769
Tombstone	13,618	1,405	Lake Havasu City	351,681	36,285
Willcox	34,242	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$49,139	5,070
Flagstaff	\$528,030	54,480	Pinetop-Lakeside	31,994	3,301
Fredonia	12,115	1,250	Show Low	67,729	6,988
Page	77,053	7,950	Snowflake	39,932	4,120
Williams	26,072	2,690	Taylor	25,733	2,655
<u>Gila County</u>			Winslow	104,482	10,780
Globe	\$68,407	7,058	<u>Pima County</u>		
Hayden	8,820	910	Marana	\$59,258	6,114
Miami	19,772	2,040	Oro Valley	190,519	19,657
Payson	106,653	11,004	Sahuarita	22,399	2,311
Winkelman	6,552	676	South Tucson	52,842	5,452
<u>Graham County</u>			Tucson	4,301,614	443,823
Pima	\$17,931	1,850	<u>Pinal County</u>		
Safford	85,030	8,773	Apache Junction	\$189,240	19,525
Thatcher	38,352	3,957	Casa Grande	202,373	20,880
<u>Greenlee County</u>			Coolidge	68,378	7,055
Clifton	\$29,028	2,995	Eloy	86,406	8,915
Duncan	7,124	735	Florence	110,394	11,390
<u>La Paz County</u>			Kearny	23,794	2,455
Parker	\$28,592	2,950	Mammoth	18,997	1,960
Quartzsite	19,433	2,005	Superior	33,777	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$220,701	22,771	Nogales	\$200,192	20,655
Buckeye	47,075	4,857	Patagonia	9,159	945
Carefree	22,156	2,286	<u>Yavapai County</u>		
Cave Creek	29,813	3,076	Camp Verde	\$72,352	7,465
Chandler	1,282,858	132,360	Chino Valley	60,848	6,278
El Mirage	55,643	5,741	Clarkdale	25,200	2,600
Fountain Hills	137,106	14,146	Cottonwood	63,435	6,545
Gila Bend	16,932	1,747	Jerome	4,458	460
Gilbert	575,115	59,338	Prescott	301,291	31,086
Glendale	1,769,938	182,615	Prescott Valley	155,492	16,043
Goodyear	89,653	9,250	Sedona	86,202	8,894
Guadalupe	52,900	5,458	<u>Yuma County</u>		
Litchfield Park	36,239	3,739	San Luis	\$77,789	8,026
Mesa	3,277,092	338,117	Somerton	56,447	5,824
Paradise Valley	120,648	12,448	Wellton	10,913	1,126

Peoria	722,698	74,565	Yuma	608,592	62,792
Phoenix	11,140,362	1,149,417			
Queen Creek	29,774	3,072	TOTAL	\$33,037,720	3,408,697

TABLE 3
Transaction Privilege and Severance Tax Returned to Cities/Towns
November 2000

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,244,256	168,176
Eagar	\$33,404	4,515	Surprise	79,438	10,737
Springerville	14,205	1,920	Tempe	1,138,050	153,821
St. Johns	24,859	3,360	Tolleson	32,820	4,436
<u>Cochise County</u>			Wickenburg	35,254	4,765
Benson	\$30,445	4,115	Youngtown	19,932	2,694
Bisbee	48,090	6,500	<u>Mohave County</u>		
Douglas	109,350	14,780	Bullhead City	\$199,317	26,940
Huachuca City	14,353	1,940	Colorado City	23,601	3,190
Sierra Vista	279,776	37,815	Kingman	124,066	16,769
Tombstone	10,395	1,405	Lake Havasu City	268,456	36,285
Willcox	26,139	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$37,511	5,070
Flagstaff	\$403,072	54,480	Pinetop/Lakeside	24,423	3,301
Fredonia	9,248	1,250	Show Low	51,701	6,988
Page	58,818	7,950	Snowflake	30,482	4,120
Williams	19,902	2,690	Taylor	19,643	2,655
<u>Gila County</u>			Winslow	79,756	10,780
Globe	\$52,219	7,058	<u>Pima County</u>		
Hayden	6,733	910	Marana	\$45,235	6,114
Miami	15,093	2,040	Oro Valley	145,433	19,657
Payson	81,414	11,004	Sahuarita	17,098	2,311
Winkelman	5,001	676	South Tucson	40,337	5,452
<u>Graham County</u>			Tucson	3,283,641	443,823
Pima	\$13,687	1,850	<u>Pinal County</u>		
Safford	64,907	8,773	Apache Junction	\$144,456	19,525
Thatcher	29,276	3,957	Casa Grande	154,481	20,880
<u>Greenlee County</u>			Coolidge	52,197	7,055
Clifton	\$22,159	2,995	Eloy	65,958	8,915
Duncan	5,438	735	Florence	84,269	11,390
<u>La Paz County</u>			Kearny	18,163	2,455
Parker	\$21,826	2,950	Mammoth	14,501	1,960
Quartzsite	14,834	2,005	Superior	25,784	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$168,472	22,771	Nogales	\$152,817	20,655
Buckeye	35,935	4,857	Patagonia	6,992	945
Carefree	16,913	2,286	<u>Yavapai County</u>		
Cave Creek	22,758	3,076	Camp Verde	\$55,230	7,465
Chandler	979,270	132,360	Chino Valley	46,448	6,278
El Mirage	42,475	5,741	Clarkdale	19,236	2,600
Fountain Hills	104,660	14,146	Cottonwood	48,423	6,545
Gila Bend	12,925	1,747	Jerome	3,403	460
Gilbert	439,014	59,338	Prescott	229,991	31,086
Glendale	1,351,084	182,615	Prescott Valley	118,695	16,043
Goodyear	68,436	9,250	Sedona	65,803	8,894
Guadalupe	40,381	5,458	<u>Yuma County</u>		
Litchfield Park	27,663	3,739	San Luis	\$59,381	8,026
Mesa	2,501,571	338,117	Somerton	43,089	5,824
Paradise Valley	92,097	12,448	Wellton	8,331	1,126
Peoria	551,672	74,565	Yuma	464,569	62,792

Phoenix	8,504,005	1,149,417		
Queen Creek	22,728	3,072	TOTAL	
				\$25,219,372
				3,408,697

*The Office of Economic Research & Analysis
Arizona Department of Revenue
1600 W. Monroe
Phoenix, AZ 85007*